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SUBJECT: NORTH KOREA AND THE US; MIAMI HERALD EDITOR;
LATINO-COALITION SEMINAR IN THE US; IAPA REPORT ON ARGENTINE PRESS
FREEDOM; LULA; US-URUGUAYAN TALKS; ARGENTINE CREDITORS IN THE US;
SECRET CIA PRISONS; 10/04/06;BUENOS AIRES

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11. SUMMARY STATEMENT

Today's key international stories include North Korea's announcement that it will test its nuclear technology for military purposes and the USG's reaction to this announcement; the resignation of The Miami Herald editor due to Cuban Americans' pressure; a Latino-Coalition seminar, which was called 'Venezuela and Argentina - the new problematic axis in the hemisphere;' a tough IAPA report on Argentine press freedom; the implications of the outcome of Brazilian elections; the US-Uruguayan trade talks and the visit of DUSTR Everett Eissenstat to Uruguay; Argentine creditors' judicial procedures in the US; and the allegedly secret CIA prisons overseas.

12. OPINION PIECES

- "The White House, far from 2003 war atmosphere"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," comments (10/04) "In January 2002, North Korea was included in the infamous 'axis of evil' along with Iran and Iraq, which was defined as such by US President Bush in his first State-of-the-Union address following the September 11 attacks.

"Four and a half years later, the scenario has changed for worse. North Korea and Iran continue challenging the international community and the US in particular, and their war nuclear aspirations are taken for granted or at last suspected.

"... While Iraq and Iran hit newspapers' headlines during recent years, the Pyongyang regime has gradually become the most serious threat for security in East Asia and perhaps the US.

"Isolated and impoverished, the risk posed by North Korea would reach its climax if it is confirmed as a nuclear power. Why? On the one hand, because it has already carried out tests of mid- and long-range missiles that could even reach the coasts of Alaska. On the other hand, it could well encourage an arms race in the region, with China, Japan and South Korea getting ready for scenarios of confrontation, eventual pre-emptive attacks and nuclear proliferation.

"Nonetheless, the Republican administration now bets on multilateral dialogue, far from the war atmosphere following the September 11 attacks. When Bush coined the 'axis of evil' phrase, Bush had a support of over 80% among Americans. Now, he has obtained nearly 37 percent for months.

"Such a popularity rating can only be compared with that obtained by Richard Nixon before having to resign...

"And, also, now, upcoming legislative elections could serve to label him 'a lame duck.' Even Rumsfeld, one of the hawks of this administration, said yesterday that 'talks among the six nations is the only proper method to deal with North Korea,' with the US Department of State, not the US Pentagon, taking the lead on behalf of Washington.

"Obviously enough, North Korea and Iraq are very different realities... However, the Communist regime has just announced to the world that it will test its nuclear technology for military purposes.

"The White House's response is quite different in both cases. It invaded Iraq in 2003, but with the North Korean leader, Kim Jong-Il, it seeks to either reach a multilateral deal involving Japan, South Korea, China and Russia, or have the UN Security Council approve sanctions against it.

"However, challenges are big - the regime believes that Bush will do his best to overthrow it, and the US suspects that North Korea will violate the deal just like it did 12 years ago."

- "Miami Herald editor resigns due to pressure of the Cuban community"

Ana Baron, Washington-based correspondent for leading "Clarín," writes (10/04) "The crisis unleashed at The New Herald, the Miami Herald's Spanish version, by the finding that some of its journalists had collected money for contributions made for anti-Castro regime Radio and TV Martí ended up with the resignation of the editor of the two newspapers, Jesus Diaz.

"Two reporters and one contributor of The New Herald... were fired

last September after it was known that they had collected money from Radio and TV Martí...

"... Pressured by the Cuban-American community, which decided to boycott the two papers by causing the cancellation of thousands of subscriptions, Diaz not only had to resign but The New Herald again hired the three journalists that had been fired by Diaz.

"The whole incident is a new sign of the Cuban Americans' power in Miami. Radio and TV Martí are USG-funded media that air programs for Cuba.

"As a matter of fact, the confirmation of the nomination of the future US Ambassador to Argentina, Earl Anthony Wayne, had to go through several postponements due to the fact that when Wayne used to serve as the Assistant Secretary for Economic Affairs at the US Department of State, he opposed a fund increase for Radio and TV Martí. Echoing the Cuban American community in Miami, Senator Mel Martinez was compelled to object to (Wayne's) nomination, which was finally confirmed because the US Department of State had to unblock it."

- "Strong criticism of the (Argentine) President in the US"

Daily-of-record "La Nación" reports (10/04) "The USG official in charge of Latin America until 2005, Roger Noriega, said President Kirchner is 'ungrateful' for having repudiated the Bush administration when he no longer needed its help.

"During a conference organized by Latino Coalition..., Noriega said 'I would not like to use that word but I believe that President Kirchner has good ties (with someone) only when that someone serves him well.'

"Noriega said that 'one should not speak in private morning meetings as a friend and afterwards publicly speak against that friend in the afternoon. But we reached this point.' 'I believe Kirchner has undermined the good willingness and confidence between the two of

us. This has been his down decision. However, the US has attempted to maintain a positive relationship with him, although, frankly speaking, it is hard for us to do it.'

"The seminar was called 'Venezuela and Argentina - the new problematic axis in the hemisphere.'"

- "Harsh IAPA report on Argentine press freedom"

Leading "Clarín" reports (10/04) "In its most critic report on President Nestor Kirchner since he took over in 2003, the Inter American Press Association (IAPA) denounced yesterday that Argentina 'conditions' press freedom, and journalists are threatened in the country, which has not 'completely dismissed authoritarianism.'"

"The report was approved in Mexico by the 62nd IAPA General Assembly, led by the editor of The Washington Post, Diane Daniels, following the death threats suffered by journalists Joaquin Morales Sola, from 'La Nación,' and Jorge Fontevecchia, from 'Perfil.'"

"The IAPA said 'more than three years after taking over, President Nestor Kirchner has demonstrated that he has not been able yet to adapt himself to the functioning of independent media. Differing views and versions that differ from the official version usually end up in confrontations.'"

- "A choice between the FTAA and Mercosur"

Business-financial "El Cronista" reports (10/04) "Brazilian Minister of Institutional Relations and spokesperson of the Lula administration, Tarso Genro, said yesterday that 'Argentina's concern about the possible triumph in runoff elections of opposing candidate Geraldo Alckmin is right' because, in his opinion, the Social-Democrat candidate represents the interests of the FTAA, not those of Mercosur."

"Genro added that Alckmin's view 'is subject to interests that are far from those of Mercosur.'"

"After a press conference at the Planalto Palace, Genro spoke about Lula's relationship with President Nestor Kirchner. 'It is important that Argentines support Lula, because Lula is Mercosur and, therefore, he has an important relationship with President Kirchner and with the Argentine people.'"

- "US envoy arrives in Uruguay and already holds trade talks"

Business-financial "Ambito Financiero" reports (10/04) "Yesterday, Uruguay and the US formally kicked off negotiations for a new trade deal, far from an FTA and close to a preferential tariff system, as President Tabare Vazquez said last week."

"In concrete, the structure on which the two countries will hold discussions will be unusual in Mercosur and will be based on a Trade Investment Framework Agreement (TIFA)."

"This implies that there will only be a broadening of an ongoing deal for investment protection, which would now authorize the entry of some products to both markets without having to pay tariffs. What this new deal will not include is some progress on two key sectors for Mercosur - IPR and governmental purchases, and a deal to import cars, capital goods and electronic articles of any kind without having to pay tariffs. Such a deal would have implied Uruguay's abandonment of Mercosur. Vazquez avoided this decision by choosing a minor deal, which would also be supported by Argentina and Brazil in the upcoming Brasilia Mercosur summit in December."

"The start of negotiations between the US and Uruguay was announced by Uruguayan Presidential Secretary Gonzalo Fernandez after his first meeting with DUSTR Everett Eissenstat..."

"Meanwhile, Eissenstat underscored the importance of recent meetings, which make up 'a continuous process,' and he called them 'very important' for the US, given the 'economic opportunities open for the two parties.' 'I am confident that we can conclude negotiations to reach a Trade Investment Framework Agreement.'"

- "New statement by bondholders in the US"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," writes (10/04) "According to NML capital and EM Limited, the two main vulture funds that seek to collect (Argentine) sovereign bonds still in default since 2001, the Argentine Central Bank is an organ lacking independence, which absolutely obeys the Argentine Government. This is why its reserves belong to the government, and therefore, can be embargoed.

"The purpose of the two funds is collecting part of the debts owed to them with 105 million dollars the Argentine Central Bank has in the New York Federal Reserve, and they also seek to hinder Argentine Government's international financial operations until the government finds compelled to submit a more profitable debt swap offer than that of 2005.

"... However, the Argentine Government insists that it will neither negotiate with creditors nor make a second restructuring offer."

13. EDITORIALS

- "The CIA secret prisons"

An editorial in daily-of-record "La Nacion" reads (10/04) "As expected, US President George W. Bush's confirmation about the CIA secret prisons outside of the US has sparked strong controversy in

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the EU countries, which claim for the location of those centers of detention of alleged terrorists.

"... The European Council has warned that the US President's acknowledgement is in line with the research made by The Washington Post about CIA secret prisons in European and Asian countries... Spanish President Jose Luis Rodriguez Zapatero said that those secret prisons 'are not compatible with the Rule of Law,' and that

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the 'fight on terrorism can only be carried out based on the principles of the rule of law and democracy.'

"Having resorted to secret prisons overseas to avoid investigating suspects according to US institutions and legal systems seems to have damaged the noteworthy US democratic tradition.

"War on terrorism should be implacable but it cannot justify procedures that violate fundamental human rights. This must be so even when terrorists themselves will never honor those same rights."

- "The unexpected Brazilian vote"

Leading "Clarín" editorializes (10/04) "The outcome of Brazilian elections has revealed the malaise of some part of voters due to a corruption scandal and Lula's attitude about it. However, it is also related to the ways of doing politics and the performance of the economy.

"The last-minute reversal of the election trend, which promised a sure victory of Lula, can basically be explained by two elements. The main one, the revelation, shortly before elections, of an official maneuver to impair opposed leader Jose Serra. The other element was Lula's decision not to attend a TV debate with his adversary Geraldo Alckmin, which was taken as a gesture of arrogance...

"Also, the outcome of elections may be explained by Brazil's economic evolution... During the four years of his government, the growth of the Brazilian economy has been modest in average and it has allowed for a revaluation of the real currency that impaired industries...

"Uncertainty hovers over runoff elections because, on the one hand, Lula will perhaps obtain the votes from the left wing that he did

not get in the first round, but he will probably be impaired by the investigation about the folders that were purchased to damage the opposition."

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